

FISCAL NOTE

HB 2621 - SB 2593

February 19, 2004

SUMMARY OF BILL: Provides that no funds received by the state following the enactment of the appropriations bill may be expended until the general assembly reconvenes. This limitation would not apply to funds received by the federal government and earmarked or designated for a specific purpose or funds expended in the case of an emergency declared by the governor.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$100,000

Other Fiscal Impact - This bill may jeopardize the ability of departments to obtain private grants. Many private grants require specific timelines for implementation of the programs associated with the funding. If departments were required to wait for approval from the general assembly before making such expenditures, the delay could result in the loss of such funding.

Estimate assumes:

- The increase in expenditures to the state is associated with new positions in the Department of Finance and Administration. Three new positions would be needed, two professional and one administrative, to perform more frequent manual overrides on the departmental budget programs to allow departments to make payments exceeding their appropriated budgets.
- Private funding to individuals, departments, or schools within the system of higher education would not be subject to the provisions of this bill.
- Interdepartmental transfer of earmarked federal funds, in the form of payments, would not be affected by this bill.
- Proceeds from the Tennessee Education Lottery Corporation that are transferred to the state would not be subject to the provisions of this bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director